

Message Text

UNCLASSIFIED

PAGE 01 BANGKO 10893 031217Z

53

ACTION OPIC-12

INFO OCT-01 EA-07 ISO-00 EB-11 AID-20 (ISO) W

----- 001360

P 031118Z JUL 74

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC PRIORITY 4785

UNCLAS BANGKOK 10893

E. O. 11652: N/A

PASS OPIC

FOR CECIL HUNT FROM CLAPP

SUBJ: CALABRIAN

REF: (A) BANGKOK 10795 (B) BANGKOK 7211

1. IN DISCUSSION WITH WIPHAT TODAY CONCERNING LIQUIDATOR'S FEE, WIPHAT AFFIRMED CONVERSATION WITH BOORADY AS TO TIMING OF FEE PAYMENT. RATIONALE IS THAT PAYMENT SHOULD BE MADE WELL IN ADVANCE OF TIME FOR FILING CLAIMS IN ORDER TO AVOID APPEARANCE OF IMPROPRIETY IN LIQUIDATOR MAKING PAYMENT TO HIMSELF IN FULL IN SITUATION WHERE COMPANY UNABLE TO PAY OTHER CREDITORS IN FULL. NOTE: FIRST PUBLICATION OF 30-DAY NOTICE FOR CREDITORS TO FILE CLAIMS HAS ALREADY BEEN MADE.

2. WHILE SIPHAT'S ENGLISH COMPREHENSION IS AT LEAST ADEQUATE, ONE LEAVES DISCUSSION WITH HIM FAIRLY ASSURED ON SUBSTANCE BUT NOT ENTIRELY CERTAIN OF POINT-TO-POINT MEETING OF MINDS. THUS BOORADY MAY HAVE DIFFERENT RECOLLECTION CONVERNING QUOTE AGREEMENT ENDQUOTE AS TO PAYMENT OF LIQUIDATOR'S FEE. WIPHAT, HOWEVER, IS QUOTE CLEAR ON THIS POINT AND FEELS HE HAD FIRM ASSURANCE FEE WOULD BE PAID IN FULL IN ADVANCE. WIPHAT'S POSITION IS SUPPORTED BY HIS LETTER TO BOORADY OF APRIL 26, 1974, WHICH IF SIGNED BY CALTHAI DIRECTORS WOULD HAVE BEEN RETAINER AGREEMENT FOR APPOINTMENT OF VACHARA AND WHICH PROVIDED FOR PAYMENT OF FEE IN ADVANCE QUOTE WHEN AGREEMENT HAS BEEN REACHED ENDQUOTE. ASSUME THIS IS THE QUOTE WIPHAT SUGGESTED RETAINER

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BANGKO 10893 031217Z

FORM ENDQUOTE REFERRED TO IN PARA 5 OF REFTTEL (B).

3. UNDERCIRCUMSTANCES RLA RECOMMENDS OPIC CONCUR IN PAYMENT OF FEE IN FULL NOW, TO BE NOTIFIED TO WIPAHT BY RLA LETTER SUBSTANTIALLY AS FOLLOWS:

A. REFERRING TO PRIOR CORRESPONDENCE CONCERNING THE APPOINTMENT OF LIQUIDATOR AND RESOLUTION ADOPTED BY CALTHAI STOCKHOLDERS AT FINAL MEETING APPOINTING VACHARA AS LIQUIDATOR, I AM AUTHORIZED BY OPIC TO CONFIRM AGREEMENT THAT FEE PAYMENT MAY BE MADE IN FULL IN ADVANCE.

B. IT IS UNDERSTOOD THAT PAYMENT IS TO COVER SERVICES OF LIQUIDATOR OR IN THE EVENT OF CONVERSION TO BANKRUPTCY REPRESENTATION OF OPIC BEFORE RECEIVER; THAT FEE COVERS SERVICES BUT NOT OUT-OF-POCKET EXPENSES; AND IF LITIGATION AS PLAINTIFF OR DEFENDANT ENSUES NECESSITATING APPOINTMENT OF ANOTHER COUNSEL IN WIPHA'S FIRM, FEE FOR SUCH COUNSEL SHALL BE CHARGED SEPARATELY.

NOTE: SUBSTANCE THIS PARA B SAME AS SECOND PARA OF WIPHA'S PROPOSED RETAINER LETTER APRIL 26 BUT OMITTS LANGUAGE ON INDEMNIFICATION OF LIQUIDATOR. WIPHA UNDERSTANDS OPIC'S RELUCTANCE UNDERTAKE OPEN-ENDED INDEMNIFICATION OF LIQUIDATOR, BUT STATES BOND ADEQUATE TO MEET AMOUNT FOR WHICH COGLIANDRO MIGHT SUE WOULD BE TOO EXPENSIVE. HE FEELS LIKELIHOOD OF SUIT MINIMAL AND LIKELIHOOD RECOVERY AGAINST LIQUIDATOR EVEN LESS. UNDER CIRCUMSTANCES IT POSSIBLE HE MAY NOT REVIVE QUESTION OF INDEMNIFICATION.

4. RE REFTTEL (A) WIPHA INDICATED VACHARA'S STATED INTENTION TO RESIGN UNLESS FEE PAYMENT FORTHCOMING IN FULL WAS PROBABLY OVERSTATEMENT BASED ON MISUNDERSTANDING OF WIPHA'S INSTRUCTIONS. WHILE CRISIS NATURE OF WHAT APPEARED TO BE POTENTIAL IRRECONCILABLE CONFRONTATION SOMEWHAT DISSIPATED BY DISCUSSION WITH WIPHA, EARLY RESPONSE FROM OPIC AND AUTHORIZATION MOST DESIRABLE. RLA TOLD WIPAHT HE WOULD REPORT CONVERSATION TO WASHINGTON, SEEKING INSTRUCTIONS, AND HOPE RECEIVE RESPONSE BY EARLY NEXT WEEK.

5. IF OPIC CANNOT PROVIDE FINAL DECISION BY COB 3 JULY WASHINGTON UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BANGKO 10893 031217Z

TON TIME, REQUEST ADVICE BY PRIORITY CABLE WHEN DECISION CAN BE EXPECTED.

KINTNER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LITIGATION, STEEL, FOREIGN INVESTMENT, SALES, PRIVATE INVESTMENTS, BANKRUPTCIES
Control Number: n/a
Copy: SINGLE
Draft Date: 03 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BANGKO10893
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740176-1031
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740779/aaaacpgs.tel
Line Count: 110
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OPIC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: (A) BANGKOK 10795 (B) BANGKOK 7211
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 02 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 OCT 2002 by ThomasVJ>; APPROVED <15 JAN 2003 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CALABRIAN
TAGS: EFIN, TH, US, OPIC, CALABRIAN COMPANY
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005